

Central New Mexico Funding & Finance Overview

Prepared for: The Central New Mexico Comprehensive Climate Action Plan
By: City of Albuquerque Sustainability Office

CONTENTS

INTRODUCTION 3

 Purpose & Context 3

METHODS & ACKNOWLEDGMENTS 4

PRIORITIZATION & REALLOCATION 4

 Staff Management 4

 Operational Budgets 5

 Planning Processes 6

 Gross Receipts Tax 7

INVESTMENTS & BANKING 8

 Community Development Financial Institutions and Green Banks 8

 Sustainable Retirement Funds 9

FUNDING & FINANCING 10

 Utility Fee & Rate Structures 10

 Credits & Incentives 10

 Rebates 11

 Project Financing 12

 Government Discretionary Spending 13

 Green Bonds 14

 Public-Private Partnerships 15

 Philanthropy 15

 Grants 16

 Local Climate Funds 17

CAPACITY BUILDING 18

 Grant Discovery 18

 Technical Assistance 19

 Student Programs 20

OTHER RESOURCES 21

 Carbon Offsets 21

 Tools 22

 Funding Resources Not Covered 22

CONCLUSION 23

INTRODUCTION

Climate action takes commitment, collaboration—and **resources**. The Funding and Finance Overview was developed by the City of Albuquerque Office of Sustainability to help communities **across Central New Mexico** understand and access the growing range of tools available to support a cleaner, more resilient future.

This report gathers what's often scattered—Information about federal, state, local, and private funding opportunities—into one place. It highlights key programs that can power real projects: from grants that help small towns upgrade infrastructure, to utility rebates that make homes more efficient, to technical assistance programs that support existing staff, to federal and state programs that reward innovation in clean energy, water conservation, transportation, and land management.

Did you know? If we do not reduce greenhouse gas emissions, it is estimated that the cost of inaction for the globe will reach \$38 trillion annually by 2050¹.

Central New Mexico has no shortage of ideas for climate action. This analysis helps ensure those ideas have the resources they need to become a reality. Whether through direct investment, partnerships, or leveraging incentives, this report points to the funding pathways that can make progress possible today.

Did you know? Reducing climate pollution has measurable cost savings. Calculate the Cost savings of climate actions using the US Environmental Protection Agency's CO-Benefits Risk Assessment Health Impacts Screening and Mapping Tool (COBRA).

Purpose & Context

The **Funding and Finance Overview** was created to inform the **Central New Mexico Comprehensive Climate Action Plan (CCAP)** by identifying how communities, institutions, and local governments can pay for and sustain long-term climate action. Thoughtful resource allocation and financial tools are key to implementation—without clear funding mechanisms, even the best strategies remain on paper.

This report serves to:

- **Map current resources** for climate change projects across all levels of government and the private sector.
- **Connect regional priorities with available funding sources**, ensuring that Central New Mexico is ready to compete for and win climate investments.
- **Build financial literacy** and coordination among local governments, anchor institutions, and community organizations.

¹ Potsdam Institute for Climate Impact Research (PIK). (2024, April 17). 38 trillion dollars in damages each year: World economy already committed to income reduction of 19 % due to climate change. *ScienceDaily*. Retrieved October 29, 2025 from www.sciencedaily.com/releases/2024/04/240417131138.htm

- **Lay the groundwork for expanded access**, so that smaller and more vulnerable communities can benefit from new climate funding.

By outlining both traditional and innovative funding mechanisms, this report helps local leaders act with confidence. Together, these resources form the financial backbone of Central New Mexico's path toward a net-zero, climate-resilient future.

Listed below are a variety of methods that Central New Mexico might use to turn climate goals into action, organized into four categories: Prioritization & Reallocation, Funding and Financing, Capacity Building, and Other Resources. The analysis concludes with recommended first steps for individuals and organizations and a call for collaboration to showcase additional local examples.

METHODS & ACKNOWLEDGMENTS

The City of Albuquerque Office of Sustainability drafted this report in partnership with the National Community Reinvestment Coalition, City of Albuquerque Government Affairs, Coalition of Sustainable Communities New Mexico, New Mexico Climate Investment Center, and the University of New Mexico's Public Administration Department.

It builds off a literature review completed by the Office of Sustainability's Equitable Development Fellow, Matt Aranez. While resources were drawn from several local and national sources, this report relied heavily on materials provided by the Urban Sustainability Director's Network and the US Environmental Protection Agency's Water Finance Center. For more information on this report or to contribute to the next version, please email sustainability@cabq.gov.

PRIORITIZATION & REALLOCATION

Regardless of external funding opportunities, all organizations can prioritize and reallocate existing resources. The resources below provide suggested activities to advance climate action or directly influence outcomes with minor adjustments to existing processes.

Staff Management

Definition: Existing staff in an organization align efforts to support and/or prioritize climate action.

Examples:

- A business provides financial incentives to its chief executive officer for meeting carbon pollution reduction goals.
- A Mayor signs an executive order directing executives to address and report on GHG reduction activities.
- An individual shifts existing volunteer hours to a non-profit addressing climate change.

Best Practices:

- Track performance by department or division to build transparency and increase adoption.
- Dedicate personnel time towards climate actions, track progress in performance evaluations for middle and upper leadership.

- Provide training to all staff on climate change and encourage individual climate action in the workplace and at home.

Table 1. Largest Employers within Central New Mexico.

| Organization | Approximate # of Employees | Notes |
|-----------------------------------|----------------------------|---|
| State Government | 17,000 | For all of New Mexico |
| Sandia National Labs | 14,220 | Located in Central New Mexico |
| Presbyterian | 13,460 | For all of New Mexico |
| University of New Mexico Hospital | 12,105 | Located in Central New Mexico |
| Albuquerque Public Schools | 11,000 | Located in Central New Mexico |
| Kirtland Air Force Base | 8,800 | Located in Central New Mexico |
| City of Albuquerque | 5,800 | Located in Central New Mexico |
| University of New Mexico | 5,500 | Central Campus only, not including UNMH |
| Lovelace Health Systems | 3,500 | For all of New Mexico |
| Amazon | 3,500 | Located in Central New Mexico |
| Intel | 2,600 | Located in Central New Mexico |
| Bernalillo County | 2,500 | Located in Central New Mexico |

Operational Budgets

Definition: Money from an agency’s yearly budget (e.g., personnel, maintenance, services) used to support climate projects.

Examples:

- A city’s public works department dedicates a portion of its general fund each year to tree planting, energy audits, urban greening, or fleet electrification.
- A business directs vehicle funds to purchase electric vehicles instead of internal combustion engine vehicles.

Best Practices:

- Include a line item for climate or resilience in annual budgets so it doesn’t depend on occasional grants.
- Begin with money-saving climate actions (e.g., LED light conversion, weatherization, etc.) so savings can feed back into future budgets.
- Begin with “quick wins” to build confidence and secure buy-in.

Table 2. Largest Publicly Available Budgets within Central New Mexico.

| Organization | Approximate Annual Budget | Notes |
|----------------------|---------------------------|------------------------|
| US Government | \$14,400,000,000 | For FY26 for all of NM |
| State Government | \$13,000,000,000 | For FY25 for all of NM |
| Sandia National Labs | \$5,000,000,000 | For FY24 |
| Presbyterian | \$3,500,000,000 | For FY25 |

| | | |
|---|-----------------|--|
| Albuquerque Public Schools | \$2,100,000,000 | For FY25 |
| City of Albuquerque | \$1,500,000,000 | For FY26 |
| Bernalillo County | \$1,400,000,000 | For FY25 |
| University of New Mexico Hospital | \$1,000,000,000 | For FY25 |
| University of New Mexico | \$1,000,000,000 | For FY25, Central Campus, not including UNMH |
| PNM | \$851,000,000 | Revenue for FY25 |
| Sandoval County | \$410,000,000 | For FY25 |
| Central New Mexico College | \$406,000,000 | For FY26 |
| Albuquerque Bernalillo County Water Utility Authority | \$265,000,000 | For FY26 |
| TriCore | \$123,000,000 | For FY23 |
| Valencia County | \$120,000,000 | For FY25 |

Planning Processes

Definition: Local and regional planning processes—like hazard mitigation plans, comprehensive plans, capital improvement plans, land use codes, and economic development strategies—shape how communities grow and spend money. When climate action is baked into these documents, it becomes easier to fund, prioritize, and coordinate long-term solutions.

Examples:

- Including cooling centers, green infrastructure, and microgrids in Hazard Mitigation Plans.
- Updating land use codes to allow dense, walkable neighborhoods and reduce transportation emissions.
- Prioritizing energy-efficient buildings or EV charging stations in Capital Improvement Plans.

Best Practices:

- Align planning documents so they reinforce the same climate goals.
- Use community input—especially from underserved groups—to guide priorities.
- Pair climate actions with resilience, public health, and economic benefits.
- Regularly update plans to incorporate new funding opportunities and technologies.
- Ensure climate language is specific enough to justify future budget requests.

Did you know? Project Drawdown’s [SHIFT](#) identifies voting as one of the best ways individuals can be a climate hero. By engaging in planning processes and voting, citizens can help pass policies and fund projects that help meet climate goals.

Table 3. List of Influential Planning Processes in Central New Mexico.

| Plan/Planning Process | Update Schedule | Notes |
|--|------------------|---|
| State of New Mexico Capital Improvement Planning | Every year | Submitted by governments across New Mexico to the Department of Finance and Administration, though it projects project needs over a five-year period. |
| Hazard Mitigation Plans | Every 5 years | Required by FEMA to maintain eligibility for certain disaster assistance funding. |
| Town/City/County Comprehensive Plans | Every 5-10 years | Varies by community. |

| | | |
|---|---|--|
| Land Use Codes | Varies | New Mexico law delegates land use and development decisions to local governments, so the frequency of zoning updates varies by city and county. Some major local governments, like Albuquerque, update their comprehensive zoning codes (the Integrated Development Ordinance) every two years. |
| Utility Integrated Resource Plan (IRP) | Every 3 years | PNM filed its most recent IRP, the 2023 IRP, in December 2023, and the next one will be filed in 2026 to cover the 2026-2046 planning period. The IRP is a 20-year plan that includes a four-year action plan and is developed through a public process involving input from stakeholders and the public. |
| Public Service Company of New Mexico's Pricing Advisory Committee | Quarterly | This rate-making working group works with the New Mexico Public Regulation Commission and other parties to develop and implement rate design and pricing policies that align with state energy goals. The committee holds technical working group meetings focused on specific issues, and it holds quarterly public meetings for updates. |
| Mid-Region Council of Governments' Metropolitan Transportation Plan | Every 5 years | The most recent update, the "Transitions 2045 MTP," was approved in April 2025. This document guides long-range development, maintenance, and enhancement of the region's transportation network. |
| Economic Development Plans | Every 5 years (local gov) Every year (State of New Mexico) | Local governments in New Mexico update their Economic Development Plans, such as the Comprehensive Economic Development Strategy (CEDS), every five years. These updates are crucial for regional planning and securing federal funding. Other plans, like the state-level Economic Development Plan, are updated annually. |

Gross Receipts Tax

Definition: Cities and towns in New Mexico collect Gross Receipts Tax (GRT) on the sale of most goods and services. A portion of this revenue can be dedicated to climate programs, giving communities a flexible, locally controlled funding stream.

Examples:

- Setting aside GRT revenue to support building electrification or weatherization programs, see Santa Fe County's [home rehabilitation and energy efficiency program](#) and accompanying [ordinance](#).
- Funding transit expansions or EV charging with a small climate-designated GRT allocation.

Best Practices:

- Clearly define eligible climate uses to build public trust.
- Pair GRT funds with state and federal grants to maximize impact.
- Communicate how GRT-funded climate actions improve affordability and public health.
- Use GRT revenue as a stabilizing match fund for competitive grants.

INVESTMENTS & BANKING

Where we bank and what we invest in matters. This section outlines the benefits of moving funding to community development financial institutions or credit unions, and explores high-level opportunities for investments.

Community Development Financial Institutions and Green Banks

Definition: Community Development Financial Institutions, or Credit Unions, are mission-driven, non-profit, member-owned organizations that provide banking and financing services and specialize in serving low- to moderate-income communities. Green Banks are mission-driven financial institutions that finance projects benefiting the environment. Learn more about green banks here: <https://bank.green/>.

Examples:

- City of Burlington, VT, partnered with a credit union to provide low-interest loans for electric panel upgrades, heat pumps, and electric vehicles.
- City of Boulder, CO, partnered with Evaluations Credit Union and Clean Energy Credit Union on a “How to go solar” program that gives priority low-interest rates to residents.
- City of Portland, OR, moves some public funds to local credit unions to ensure public dollars go to local economic development.

Best Practices:

- Focus on local credit unions to increase local impact and insulate from the current freeze/destabilization of the federal Community Development Financial Institution fund program.
- Local governments can explore proven partnership models such as:
 - Co-lending programs
 - Loan-loss reserves
 - Technical assistance funds
 - Joint grant programs
 - Collaboration with mission-aligned non-profit partners
- Local governments may provide seed capital, offer interest rate subsidies, rebates, loan guarantees (and other credit enhancement tools), or staff time for program design, oversight, compliance, grant writing, maybe even outreach/marketing & technical assistance.

Table 4. Local Community Development Financial Institution Organizations.

| Organization | Description |
|---|---|
| Inclusive Credit Union Network | A non-profit that represents a national network of CDFIs. Launched a Center for Resiliency and Clean Energy. Once a City has identified what financing support is needed, it can develop a partnership between the City and a Credit Union in your community. |
| Justice Climate Fund | A national nonprofit mobilizing climate capital with communities nationwide. Has CDFI's loan funds and can help large organizations partner with community lenders. |
| Nonprofit Finance Fund | A national nonprofit that provides flexible financing and consulting to nonprofits to strengthen their financial capacity. |
| First Financial Credit Union | A New Mexico-based, member-owned credit union committed to community development and financial inclusion. |
| Guadalupe Credit Union | A Santa Fe-area community development credit union (CDFI) focused on affordable banking for underserved and low-income communities. |
| Northern New Mexico School Employees Federal Credit Union | A federally insured credit union serving school system employees in Santa Fe County, returning earnings to its members as dividends and low-cost services. |
| Nusenda Federal Credit Union | The largest credit union in New Mexico, offering member-owned banking with a commitment to education, community impact, and financial wellness. |
| Questa Credit Union | A local, member-driven credit union serving residents and workers in the Questa and surrounding school district areas. |
| US Eagle Federal Credit Union | New Mexico's longest-standing credit union, prioritizing member service, financial well-being, and community-focused banking. |

Sustainable Retirement Funds

Definition: Sustainable retirement funds are investment vehicles that incorporate environmental, social, and governance (ESG) criteria into their portfolio decisions, aiming to generate long-term financial returns while supporting a low-carbon, sustainable economy. These funds can influence markets by directing capital toward companies and projects aligned with climate and social goals.

Examples:

- California Public Employees' Retirement System—Known for its focus on sustainable investing and climate risk mitigation.
- NY State Common Retirement Fund – Invests in line with ESG principles and engages companies on climate-related risks.

Best Practices:

- Integrate ESG and climate risk considerations into all investment decisions.
- Engage with companies to encourage decarbonization and sustainability practices.
- Transparently report on climate-related investments and portfolio impacts.
- Align investment strategies with long-term regional or global climate goals.
- Collaborate with other public and private funds to amplify influence on corporate sustainability.

Did you know? The New Mexico Public Employees Retirement Association that manages over \$17 billion of retirement savings for public workers has an optional [PERAdvantage Socially Responsible Investment Fund](#).

FUNDING & FINANCING

The actions listed below reflect a selection of commonly used funding and finance mechanisms to advance climate action.

Utility Fee & Rate Structures

Definition: Adjusting customer fees or rates (e.g., water, stormwater, electricity, gas, trash, recycling) to raise revenue for climate programs.

Did you know? New Mexico has some of the lowest tipping fees and trash and recycling rates in the nation.

Examples:

- An electric utility charges customers based on their time-of-day use to shift customer demand to times when there is less strain on the grid. See PNM's [Power Saver Program](#) below.
- A stormwater utility charges properties based on impervious area, with revenue dedicated to green infrastructure.

Best Practices:

- Use transparent formulas (e.g., time-of-day rates or equivalent runoff units) so customers understand their fees.
- Offer tiered rates or exemptions for low-income households.
- Pair fees with performance (see credit programs) to reward good behavior.

Table 5. Selection of Existing Climate-Related Utility Programs.

| Utility | Program | Target Audience |
|---|--------------------------------------|-----------------------------------|
| Public Service Company of New Mexico | Home Energy Check Up | Residential, renters & homeowners |
| | Power Saver Program | Residential, renters & homeowners |
| | Quick Saver Program | Commercial |
| | Multifamily Program | Commercial |
| Albuquerque Bernalillo County Water Utility Authority | Indoor Rebates | Washing machines |
| | Outdoor Rebates | Residential and commercial |
| | Xeriscape Rebates | Residential |

Credits & Incentives

Definition: Discounts or “credits” against fees when property owners adopt climate solutions.

Examples:

- A City reduces permitting fees for businesses that install energy-efficient appliances and windows.
- A stormwater utility reduces a stormwater fee for a business that installs a rain garden or permeable pavement.

Best Practices:

- Clearly define eligible practices and performance standards.
- Simplify the application and verification process.
- Promote uptake with outreach, demonstration sites, and technical support.

Table 6. Existing Credits & Incentives.

| Agency | Credit & Incentives |
|--|---|
| State of New Mexico Energy Minerals and Natural Resources Department | Geothermal Electricity Tax Credit |
| | Geothermal Ground-coupled Heat Pump Tax Credit |
| | New Solar Market Development Tax Credit |
| | Renewable Energy Production Tax Credit |
| | Sustainable Building Tax Credit |
| | Clean Car Income Tax Credit |
| | Advanced Energy Manufacturing Tax Credit |
| Internal Revenue Service | Advanced Energy Project Credit (Geothermal) |

Rebates

Definition: A post-installation payment or reimbursement for qualified climate upgrades.

Examples:

- A business receives \$3.00 per square foot rebate for installing triple-pane windows or \$4.00 per square foot rebate for triple-pane windows that are locally sourced.
- A household receives \$0.50 per square foot rebate for installing a green roof or native landscaping.

Best Practices:

- Offer tiered rebate levels to encourage more ambitious projects.
- Cap rebates to manage budget exposure.
- Require performance metrics (e.g. percent runoff reduction) for approval.

Table 7. Existing Rebates.

| Agency | Rebate |
|---|--|
| State of New Mexico, Energy Conservation and Management | Offers a variety of rebates all located on its ECAM website. This includes rebates for clean cars, solar panels, windows and doors, insulation and air sealing, heatpumps, appliances, heatpump water heaters, electric upgrades, and whole building retrofits. |
| Public Service Company of New Mexico | <p>Offers a variety of commercial energy efficiency programs targeted towards local governments, businesses, and industry on its commercial website. This includes rebates for new construction, retrofits, multifamily, distributors, building tune-up, and a contractor/workforce development program called Quick Saver.</p> <p>Offers a variety of residential energy efficiency programs targeted towards residents on its residential website. This includes the PNM Home Energy Checkup, Refrigerator & Freezer Recycling, and PNM Power Saver programs as well as specific rebates for new construction, air conditioners, ENERGY STAR® appliances, and register discounts.</p> <p>Offers a variety of electric vehicle rebates (commercial and residential) on its Drive Electric website. This includes purchase rebates, charging station pilot rate, and more.</p> |
| Albuquerque Water Utility Authority | Offers rebates on drought tolerant trees, low-flow toilets, xeric landscaping and more. |

Project Financing

Definition: Loans or deferred payments that help property owners or major entities cover upfront costs for climate projects.

Examples:

- A school uses Property Assessed Clean Energy (PACE)-style financing to install solar panels and repay costs through property taxes.
- A household uses a low-to-no interest loan to install solar on their home.
- New Mexico Climate Investment Center providing bridge financing for contractors involved in state-reimbursed energy efficiency retrofit work.
- Bernalillo County completes an investment-grade audit and pays for the recommended upgrades using an energy savings performance contract.

Best Practices:

- Ask about on-bill financing, connecting payments to utility bills or taxes for easy repayment.
- Use loan guarantees to reduce financial risk.
- Design special options for low- and moderate-income residents.
- Bundle small projects to reduce administrative costs.
- Offer flexible repayment schedules.
- Combine loans with grants or rebates to maximize leverage.
- Make additional payments early on high-interest loans to reduce the lifetime cost of your loan.

Table 8. Existing Project Financing for Climate Action.

| Agency | Financing Description | Target Audience |
|--|--|--|
| State of New Mexico Energy Minerals and Natural Resources Department | Energy Efficiency Revolving Loan Fund : \$250,000 to \$1,000,000 at a fixed 2% interest rate. Fill out the interest form today . | Nonprofit and commercial building owners whose facilities serve public needs |
| | Energy Savings Performance Contracts Program (ESPCs) funds low-to-no-cost service contract agreements that guarantee energy savings and improve facilities, usually using an Energy Service Company (ESCO). | Large building owners across the State. |
| | Geothermal Projects Development Fund: Funds to advance geothermal projects (focus on advanced geothermal) | Governments, business, and non-profits |
| | Energy Efficiency Revolving Loan Fund: Loans for energy efficiency audits, upgrades and retrofits to increase building efficiency and comfort in commercial buildings with a public purpose. | Governments and non-profits |
| New Mexico Climate Investment Center | A local investment center focused on financing the just transition in New Mexico by funding projects that alleviate energy burdens, maximize use of renewable energy, reduce greenhouse gas emissions, and/or increase climate resiliency ² . | Governments, businesses, and institutions |
| Nusenda | Low-interest loan for electric vehicles ³ | Citizens |
| Homewise | Low-interest loan for weatherization, energy efficiency, and renewable energy projects for your home ⁴ . | Citizens |
| Clean Energy Credit Union | Low-interest loan for electric vehicles ⁵ | Citizens |
| Guadalupe Credit Union | Inclusive Prosperity Capital's SMART-E loans for homeowners for solar and energy efficiency upgrades | Citizens |
| U.S. Department of Agriculture | Rural Energy for America Program provides guaranteed loan financing and grant funding for renewable energy systems or energy efficiency improvements. | Agricultural Producers |

Government Discretionary Spending

Definition: Funding allocated to government officials to direct to small projects within their jurisdictional boundaries. This includes funds allocated by officials in federal, state, and local governments.

Examples:

- A county submits a list of Capital Outlay projects to fund building retrofits that include energy efficiency and weatherization.
- State Senate & House members use discretionary funds on climate projects, like green stormwater infrastructure.

² New Mexico Climate Investment Center (2025). About us. Retrieved on October 29 from <https://nmclimateinvestmentcenter.org/>

³ Nusenda (2025). Fuel Efficient Auto Loan Program. Retrieved on October 10, 2025 from <https://www.nusenda.org/loans-credit-cards/auto-loans/fuel-efficient-auto-program>

⁴ Homewise (2025). Improve Your Home. Retrieved on October 10, 2025 from <https://homewise.org/improve-your-home/>

⁵ Clean Energy Credit Union (2025). Clean Energy Vehicle Loans. Retrieved on October 10, 2025 from <https://www.cleanenergycu.org/personal/clean-energy-vehicle-loans/>

- Congressional Earmarks fund an energy efficiency project in a municipality.
- City of Albuquerque Councilor uses their set-aside to pay for food systems work in the District following a participatory budgeting process.
 - Note: Not all local governments have councilor set-asides.

Best Practices:

- Submit well-defined, shovel-ready projects.
- Align requests with climate and hazard mitigation priorities.
- Bundle small projects to reduce administrative costs.
- Combine with loans, grants, or rebates to maximize leverage.

Table 9. Discretionary Spending in Central New Mexico.

| Government Body | Description | Notes |
|-----------------------------|---|--|
| US Senate | Congressional Direct Spend | Work with Congressional delegation to understand the schedule and call for projects (usually in the Spring). |
| US House of Representatives | Community Project Funding | Work with Congressional delegation to understand the schedule and call for projects (usually in the Spring). |
| NM State Capital Outlay | State-level infrastructure funding allocated for long-term capital projects like water reuse systems, renewable energy, or cooling centers. | Work with City Department Directors and City leaders to assure that climate projects make the list before December 13. The list is refined and finalized one week prior to the start of the Legislative session. |
| City Council Set-Asides | Funds allocated to each City Councilor for use on projects in their respective districts. | Meet with local elected officials to bring climate projects to their attention and urge funding. |
| State budget appropriations | Funds appropriated to state agencies that help it fulfill the mission of the agency (e.g., \$5M to Energy, Minerals, Natural Resources Department to provide energy efficiency resources through the CEED program). | Meet with state leaders, agency secretaries, and legislators to assure annual funding for climate projects. Work with individual legislators who may want to introduce stand-alone programs. |

Green Bonds

Definition: Bonds issued by private entities or local governments to raise capital for large-scale projects to fund sustainability or climate efforts. For the City of Albuquerque, all bonds require approval of City Council, and if they involve property taxes they require voter approval.

Examples:

- A City issues a municipal green bond to retrofit public facilities for energy efficiency.
- A County issues a municipal bond to upgrade facilities that include solar shade structures.
- A corporation issues a green bond to finance a fleet right-sizing study and fleet electrification.

Best Practices:

- Clearly communicate how proceeds will be used and tracked.
- Ensure transparency and annual reporting.
- Link repayment to cost savings or revenue from new systems.

Table 10. Local Examples of Green Bonds.

| Agency | Bond |
|---|---|
| Ciudad Soil and Water Conservation District | Mill levy passed in 2024 to expand and support natural resource conservation and environmental education. |
| Bernalillo County | Bond to fund sustainability upgrades to facilities (passed 2024). |

Public-Private Partnerships

Definition: Collaborations where public and private entities share the design, funding, and benefits of climate projects.

Examples:

- The City of Albuquerque identifies Metropolitan Redevelopment Areas in which the City can purchase land, declare it blighted, and donate the properties to developers to stimulate reinvestment along critical transit corridors.

Best Practices:

- Clearly define responsibilities and revenue sharing.
- Prioritize community benefit and equitable access.
- Start with pilot partnerships to build confidence and trust.

Table 11. Climate Projects Funded by Public-Private Partnerships.

| Partnership | Project |
|---|--|
| Apache Tribe, PNM, City of Albuquerque, Santa Fe County, City of Santa Fe | PNM developed its Solar Direct program (50MW of solar on tribal land) and the City of Albuquerque purchased 25MW, helping the City move closer to its goal of reaching 100% renewable energy for all electricity used to power the government. Additionally, PNM provides rebates to the City for LED lighting improvements, and other energy efficiency improvements. |
| City of Santa Fe | Developed the Solarize bulk purchasing program to reduce solar installation costs by cutting marketing costs for installers. |

Philanthropy

Definition: Awards in the form of investments or grants from private foundations, nonprofits, businesses, or individuals that fund local climate and resilience projects.

Examples:

- A business supports a climate education campaign by awarding funding to the non-profit leading the program.

Best Practices:

- Build a good relationship with the philanthropic organization before applying for funding.
- Use philanthropic dollars to test new ideas or fill funding gaps.
- Align projects with donor interests in equity, resilience, or innovation.
- Report outcomes transparently to encourage continued support.

Table 12. Philanthropic Organizations Operating in New Mexico.

| Funder | Type |
|----------------------------------|------------------------|
| Albuquerque Community Foundation | Local |
| Bezos Earth Fund | National/International |
| Bloomberg Philanthropies | National/International |
| ClimateWorks Foundation | National/International |
| Frost Foundation | Local |
| Jennifer Riordan Foundation | Local |
| McCune Foundation | Local |
| New Mexico Foundation | Local |
| Rockefeller Foundation | National/International |
| Santa Fe Community Foundation | Local |
| Thornburg Foundation | Local |
| U.S. Energy Foundation | National |
| UNM Foundation | Local |
| Victorial Leslie Fund | Local |
| Waverly Street Foundation | National/International |

Grants

Definition: Non-repayable funds from public agencies, foundations, or institutions that support projects, planning, or community engagement.

Examples:

- The City of Albuquerque applied for the US Environmental Protection Agency’s Climate Pollution Reduction Grant Planning Program and received \$1M to support regional climate action planning for Central New Mexico.
- A Soil and Water Conservation District applies for the US Environmental Protection Agency’s Recycling Education and Outreach grant and is awarded funds for compost education in schools.

Best Practices:

- Apply early and align proposals with the funder’s goals.
- Build partnerships with the grant administrator to strengthen applications.
- Write proposals with a government sponsor and community organization, if possible, to share benefits.
- Use grants as seed funding to attract additional investment or match funds for larger projects.
- Develop an internal go no-go process to ensure you are only applying to opportunities with a high likelihood of award.
- For the next three years, focus on local, state, philanthropic, and non-profit grants while monitoring federal opportunities.

Table 13. Selected Grants for Climate Projects.

| Agency | Grant |
|---|---|
| State of New Mexico Energy Minerals and Natural Resources Department | Clean Energy Grants Program: provides funds to local governments for energy efficiency and renewable projects. |
| | Community Energy Efficiency Development: Grants for residential energy efficiency improvements in underserved communities across NM |
| | Energy Efficiency and Conservation Block Grant: Funding for a large variety of energy efficiency improvements, including municipal projects, building code improvements, and renewable energy generation |
| | Solar for All: In-process: Grants to build residential low-income solar, including single-family, multi-family, and shared solar. |
| | Grid Modernization Fund: In process: Grants to cities, counties, tribes, and municipalities for grid modernization. |
| State of New Mexico Environment Department | Recycling and Illegal Dumping Grant: Reimbursement of funds for projects that discourage the illegal dumping of materials such as tires, organic waste, and recyclables, such as the creation of recycling facilities, composting programs, etc. |
| | Solid Waste Facility Grant Fund: Enables the development, engineering, construction, and operation of solid waste facilities and systems throughout the state. |
| NM Finance Authority | Local Solar Access Fund: |

Did you know? New Mexico has seen a major investment in climate projects thanks to federal grants from the Inflation Reduction Act, the Infrastructure Investment and Jobs Act, and the Bipartisan Infrastructure Law. These three bills marked the largest climate investment in history.

Local Climate Funds

Definition: Local Climate Funds are dedicated funding pools—managed by cities, counties, or regional agencies—to finance community-based climate solutions. They help ensure that money raised or allocated locally stays in the community to support equitable, long-term climate action.

Examples:

- City of Albuquerque **3% for Energy Conservation and Renewable Energy**. This funding source comes from the GO Bond for Capital Improvement, a bi-annual, voter-approved fund for projects. Projects funded by the 3% set-aside are vetted by the Albuquerque Energy Council and a technical review committee.
- The **City of Los Cruces’s Plastic Bag Ban** now raises about half a million dollars a year, paying for critical personnel and sustainability programming.
- The **City of Santa Fe’s Clean Energy Fund** provided financial assistance to income-qualified households interested in installing solar on their home under Solarize Santa Fe.

Best Practices:

- Pair funding with strong community oversight to ensure transparency and equity.
- Prioritize projects that lower household costs and emissions simultaneously.
- Reinforce partnerships with local nonprofits and anchor institutions for accountability and innovation.

Table 14. National Examples of Local Climate Funds.

| Fund & Location | Description |
|--|---|
| Renewable Energy Mitigation Program (REMP) —City of Aspen & Pitkin County (CO) | A mitigation fee is levied on new or expanded homes with high “amenity loads” (e.g., pools, snow-melt) unless they offset the energy use with on-site renewables. Fees fund energy-efficiency and renewable projects. |
| Energy Mitigation Program —Teton County (WY) | Developers or property owners pay a fee if they cannot achieve the required conservation/renewable energy installations on-site. Funds are reinvested in local energy-efficiency or renewable projects. |
| Climate Action Tax —City of Boulder | A dedicated tax replacing previous utility-occupation fees, raising around \$6.5 million/year to fund climate/resilience programs, including wildfire resilience and equity-driven initiatives. |
| Climate Action Tax—Boulder County (CO) | Similar in name, Boulder County’s fund supports climate justice through a “Climate Equity Fund” within a dedicated tax or fund envelope, prioritizing frontline communities. |
| Climate Protection Fund – City & County of Denver (CO) | Established via a 0.25% sales tax approved by voters (2020), generating ~\$40 M/year. Funds are non-lapsing and directed toward clean energy, equity, transportation, resilience, and workforce development. |
| Portland Clean Energy Community Benefits Fund (PCEF) – City of Portland (OR) | Funded by a 1% surcharge on large retailers (for-profit businesses with >\$1B global revenue and >\$500K Portland sales). The fund supports renewable energy, energy efficiency, green infrastructure, and job training in disadvantaged communities. |
| Climate Protection Fund – City & County of Denver, CO | Created by a 0.25% sales tax approved by voters in November 2020, generating approximately \$40 million/year. Funds clean energy, transportation electrification, neighborhood resilience, and equity-focused climate justice programs. |
| Santa Monica Clean Energy Fund – City of Santa Monica, CA | A modest local fund financed through municipal revenues and permitting fees, supporting energy retrofits of affordable housing, community solar, and neighborhood resilience projects. |
| San Francisco Green Fund – City & County of San Francisco, CA | A fund seeded by the municipal general budget and later supplemented through philanthropic contributions and green bond proceeds. Supports retrofits of public buildings, solar installations on low-income housing, and tree-canopy expansion. |

CAPACITY BUILDING

Listed below are five complementary capacity-building activities that support climate projects that Central New Mexico might use to increase financing in the region. Each complimentary item includes a definition, a list of examples, and best practices.

Grant Discovery

Definition: Find and prioritize grant opportunities to fund climate projects.

Best Practices:

- Set a monthly or quarterly reminder to review funding resources.
- Sign up for funding newsletters to stay aware of upcoming opportunities.
- Identify other staff in your organization or industry and collaborate on grant discovery.
- Create a “go, no-go” process to inform whether a grant funding opportunity is likely to be awarded (see Table G18. Tools and Resources for an example).

Table 15. Funding Trackers for Climate Projects.

| Type | Tracker |
|-----------------------|---|
| Federal Resource | Department of Energy Funding & Financing Tracker |
| Federal Resource | Department of Transportation Navigator |
| Federal Resource | Energy Communities Funding Clearinghouse |
| Federal Resource | White House Open Funding Opportunities |
| Federal Resource | Advancing Equitable Workforce Development for Infrastructure Jobs |
| Federal Resource | Grants.gov |
| Third Party Resources | Climate Program Portal |
| Third Party Resources | Inflation Reduction Act Tracker |
| Third Party Resources | IIJA & Inflation Reduction Act Funding Tracker |
| Third Party Resources | Inflation Reduction Act Program and Tax Incentive Summary |
| Third Party Resources | Urban Sustainability Director's Network Federal Funding Newsletter (members only) |
| Third Party Resources | American Cities Climate Challenge's America's Federal Funding Opportunities and Resources for Decarbonization (AFFORD) Tool |
| Third Party Resources | Milken Institute Community Infrastructure Center |
| Local Resource | University of New Mexico ARID Institute Newsletter |
| Local Resource | Groundwork's Grant Maker Directory |
| Third Party Resources | Restore's https://restor.eco/platform/funding-opportunities/ |

Technical Assistance

Definition: Expert guidance, capacity building, training, and project planning help from outside organizations, often funded by grants or federal programs.

Examples:

- Bernalillo County pays for International Council for Local Environmental Initiatives - Local Governments for Sustainability membership and receives technical support for a vulnerability assessment.
- City of Albuquerque pays for the Urban Sustainability Director's Network membership and receives access to a policy library to inform future recommendations for resolutions and the edits to the Integrated Development Ordinance.

Best Practices:

- Pair technical assistance with funding opportunities.
- Create shared learning networks among participating communities, organization types, and industries.
- Offer “hands-on” workshops showcasing resources to build local expertise.

Table 16. Technical Assistance Programs.

| Organization | Description |
|--|--|
| Urban Sustainability Director’s Network | A membership-based association of local sustainability professionals. |
| International Council for Local Environmental Initiatives - Local Governments for Sustainability | A global network of local and regional governments promoting sustainable urban development. |
| State of New Mexico Energy Minerals and Natural Resources Department | Training for Residential Energy Contractors. |
| | Sustainable Education for Advanced Buildings. |
| Santa Fe Community College | Workforce Training for: Energy Auditor Training, HVAC, and more. |
| Job Training Albuquerque | Workforce training for: Any qualifying local business owner can be directed to energy management and sustainability. |
| CNM | Workforce training for: Electric vehicle technology, solar panels, and more. |
| Goodwill Industries | Workforce training for: solar and EV charging installation. |
| Regional workforce boards | Each regional board focuses on target industries in need. |
| Go Electric Colorado | Free electric coaching for adopting an electric lifestyle. |
| Electrify Now | Free webinars and educational materials for electrification. |
| Home Energy Academy | Training for home electrification |
| US Department of Energy | Expert Matcher provides local governments, electric utilities, and community-based organizations 40-60 hours of free technical assistance. |

For more information on workforce-related training and technical assistance, view the Central New Mexico Workforce Analysis (Appendix F).

Student Programs

Definition: Student programs like internships, fellowships, and capstone classes help build capacity within local governments and organizations and provide hands-on experience to emerging professionals. Programs or projects focused on sustainability help build climate literacy and deepen collaborations between institutions.

Examples:

- City of Albuquerque partners with an intern from the University of New Mexico Sustainability Studies program to complete a resiliency hub map.
- The University of New Mexico’s ARID Institute Fellowship places students in city and regional sustainability offices.
- The DOE Clean Energy Innovator Fellowship supports fellows working with utilities and public institutions on clean energy solutions.

Best Practices:

- Provide hands-on experience linked to active local projects.
- Offer mentorship and career pathways in the public and clean energy sectors.
- Build a pipeline for local talent to stay and lead within their communities.

Table 17. Student Programs Utilized in Central New Mexico.

| Organization | Program |
|---|---|
| University of New Mexico | Natural Resources and Environmental Law Clinic —provides a wide variety of legal services to underrepresented individuals, community-based groups, nonprofit organizations, and Indian tribes to protect, preserve, and use lands and natural resources, and improve public health and the environment. |
| | Sustainability Studies Program Internship —places students in sustainability-focused organizations in Albuquerque and beyond. |
| | ARID Institute Research Fellow —funds student projects focused on climate resilience research. |
| | Zancada Graduate Fellow Program —interdisciplinary graduate fellowship for research and leadership development. |
| | Anderson Marketing Lab —requires undergraduate business students to partner with an organization to gain hands-on experience with a marketing problem or campaign. |
| | Masters in Public Administration Capstone Projects —requires MPA students to partner with a government, nonprofit, or tribal organization to tackle real-world challenges—applying their public administration knowledge, research tools, and leadership skills in a team-based, practical project. |
| Fuse | Fuse Executive Fellowship—a year-long placement where experienced professionals partner with local governments on climate resilience and equity projects. |
| National Community Reinvestment Coalition | Fellowship for Equitable Development —pairs members with master’s level students with community development organizations to tackle issues related to climate change, widening wealth gaps, food insecurities, extreme housing shortages and other needs. |
| Environmental Defense Fund | Climate Corps —a summer fellowship placing talent in corporations and public institutions to create energy-management strategies, reduce emissions, and accelerate clean energy. |
| Sharing the Power Foundation | Environmental Justice Fellowship —supports students from underrepresented communities in clean energy and environmental justice work with paid internships and leadership training. |
| New York University | Global Energy, Climate Justice & Sustainability Fellowship —graduate students work on climate justice projects across sectors, gaining applied experience in socially equitable sustainability. |
| University of California Los Angeles | Case competitions —in the Net Impact Consulting Challenge MBA students consult for nonprofits and social enterprises, and the MIINT Impact Investing Case Competition gives teams hands-on experience evaluating mission-driven startups for sustainable investment. |

OTHER RESOURCES

Carbon Offsets

Definition: Carbon offsets allow organizations to pay for certified emission-reducing projects outside of their operations—such as renewable energy, reforestation, or methane capture—to compensate for emissions that are currently hard to eliminate. High-quality offsets must be third-party verified, permanent, measurable, transparent, and show additionality.

Examples:

- Purchasing verified carbon offsets for the hardest-to-abate emissions from aviation or heavy-duty vehicles.
- Supporting reforestation or soil carbon projects that also provide community and biodiversity benefits.

Best Practices:

- Reduce local emissions first; use offsets only for the hardest-to-abate sectors.
- Choose offsets certified by [Gold Standard](#), [Verified Carbon Standard \(VCS\)](#) or Climate Action Reserve.
- Prioritize projects with measurable co-benefits such as jobs, air quality, or habitat protection.
- Transparently report how offsets are selected and verified.
- Revisit offset use regularly as technology and local decarbonization options improve.

Tools

Tools—like data platforms, modeling tools, and technical guides—help communities plan, track, and improve the effectiveness of their climate investments. View and contribute to the table of Funding and Finance tools below!

Table 18. Tools and Resources for Climate Funding.

| Organization | Tool/Resource |
|--|--|
| Green Climate Fund | Contribution's Calculator |
| US Environmental Protection Agency | Greenhouse Gas calculator |
| Urban Sustainability Directors Network | Influencing Formula Funding Priorities and Distribution at the State and Federal Level webinar |
| | Seeking Federal Funding: A Guide for Local Governments |
| | Federal Funding Go/No Go Models |
| | Project Prioritization Tool |
| | Letters of Support Templates |
| | Technical Assistance and Resources to Secure New Funding & Safeguard Existing Awards |
| | Register to become a member of the USDN Federal Funding Group |
| Local Infrastructure Hub | Winning Applications |
| Baltimore, MD | Planning Framework |
| Local Infrastructure Hub | Free grant writing workshops |
| Lawyers for Good | Sample subaward agreement |
| New York University Law | Navigating OBBBA: phaseouts, prohibited foreign entity rules, and other new rules |
| Aspen Institute | Resources for philanthropy organizations interested in building climate programs |
| Invest Your Values | Guide to sustainable retirement savings |
| We Build Progress | Green Revenue Bonds: Building Publicly-Owned Clean Energy, Good Green Jobs, and Thriving Communities ; Sample Municipal Green Revenue Bond Order ; Roadmap to Passing a Municipal Green Revenue Bond |

Funding Resources Not Covered

Additional resources and funding sources not included in this review include **permitting prioritization, long-term capital planning, procurement strategies, certificates, revolving**

funds, trusts, economic development finance, land value capture, planned/estate giving, sustainable retirement savings, or opportunity zones.

Did you know? The Minneapolis-Saint Paul region is pursuing regional highway strategies that restrict any expansion of the highway system to only priced lanes. These strategies do not attempt to solve congestion through highway building but instead aim to provide a congestion-free alternative to those who value it enough to pay when faced with the choice.

CONCLUSION

This overview is about possibility—showing how Central New Mexico can unlock the funds, tools, and partnerships needed to build a cleaner, more resilient region. Whether it's tapping operational budgets, utility fees, grants, bonds, or creative financing models, the message is clear: climate action isn't just a moral imperative—it's financially achievable.

The key lesson? Don't pick just one source. Use a portfolio of funding mechanisms that match scale, community need, and readiness. Pilot projects, household-scale upgrades, institutional retrofits, and region-wide infrastructure all require different resources. When we thread these together, we build momentum that supports both big moves and small steps.

Equally important: equity and transparency must be incorporated from day one, making sure that funding reaches neighborhoods and households most at risk—those with high energy burdens, exposure to climate hazards, or fewer resources to act. With clear communication, local control, and meaningful community involvement, finance becomes not a barrier but a bridge.

Additional information on the Funding and Finance Overview can be found at <https://www.resilientfuturesnm.org/> or <https://www.cabq.gov/sustainability/regional-planning-efforts>.